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ADMITTED IN NEW YORK,
CONNECTICUT, NEW JERSEY,
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September 28, 2007

BY MESSENGER

Honorable Denise L. Cote
United States District Judge
Daniel Patrick Moynihan
United States Courthouse
500 Pearl Street, Room 1040
New York, New York 10007

USDC SDNY
DOCUMENT
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Re: Great Eastern Shipping Co. Ltd. v. Phoenix Shipping Corporation
07 Civ. 8373 (DLC)
Our File No.: 2563036

Dear Judge Cote:

We represent plaintiff Great Eastern Shipping Co. Ltd. ("Great Eastern") in this Rule B maritime attachment action.

On September 26, 2007, Great Eastern filed a Verified Complaint for damages in the amount of \$4,089,433.37 and requested the Court to issue an Ex Parte Order for Process of Maritime Attachment and Garnishment ("Attachment Order"). On September 26, the Court issued the Attachment Order (copy enclosed), but for the lesser amount of \$2,589,433.37. The lesser amount corresponds to the amount of the principal claims alleged in the Verified Complaint (copy enclosed), but it does not include the claims for interest and costs (see ¶ 35 (c) through (e) of the Verified Complaint).

We write to respectfully request the Court to reconsider the decision to lower the amount in the Attachment Order. The reason for the request is that under English law (to which the parties have agreed is applicable to their disputes), claims for interest and costs (*i.e.*, legal costs) are routinely granted by arbitrators sitting in London. Enclosed is a copy of a letter from plaintiff's London solicitors, Ince & Co., which confirms the routine grant of interest and costs in London arbitration and that sets forth how the amounts of

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interest and costs were calculated for the Verified Complaint.

We also note that a number of cases in this District have allowed security under Rule B based not only on the principal amount of the claims but also for interest and costs that have been incurred and will be allowed under English law in London arbitration. See Consul Delaware LLC, v. Schahin Engenharia Limitada, 476 F. Supp.2d 305 (S.D.N.Y. 2007), Sonito Shipping Company Ltd., v. Sun United Maritime Ltd., 478 F.Supp.2d 532 (S.D.N.Y. 2007), and T&O Shipping, Ltd., v. Lydia Shipping Co. S.A., 415 F.Supp.2d 310 (S.D.N.Y. 2006). But see, Noble Shipping, Inc v. Euro-Maritime Chartering Limited, 2003 U.S. Dist. LEXIS 23008 (S.D.N.Y 2003) (J. Cote), in which interest and costs were not allowed.

In these circumstances, we respectfully request the Court to consider issuing an amended Attachment Order to include the claims for interest and costs as alleged in the Verified Complaint. We have taken the liberty of enclosing a proposed Amended Attachment Order.

We thank you for your attention to this matter.

Respectfully yours,

Lyons & Flood, LLP

Kirk M Lyons
By: Kirk M. Lyons

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*Unaid. The underlying
application gave neither
legal nor factual support
for these requests.*

James Cote
Sept. 28, 2007